

**IOWA LOTTERY AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR FISCAL YEARS 2003 THROUGH 2007**

	<b>UNAUDITED 2007</b>	<b>Fiscal Year 2006</b>	<b>Fiscal Year 2005</b>	<b>Fiscal Year 2004</b>	<b>Fiscal Year 2003</b>
<b>OPERATING REVENUES</b>					
Instant ticket sales	\$125,147,976	106,562,536	\$103,259,272	\$95,258,080	\$80,895,147
Pick 3 sales	6,282,529	6,056,037	6,200,109	6,333,801	5,726,212
Powerball sales	61,548,520	71,110,985	54,244,379	65,967,337	54,797,706
Hot Lotto sales	14,453,908	9,634,818	10,443,903	7,717,962	5,685,215
Freeplay Replay sales				77,330	324,617
Pick 4 sales	2,224,092	2,066,769	2,042,499	1,662,015	
\$100,000 Cash Game sales	4,362,916	4,323,511	4,426,833	4,430,118	4,228,928
Touch Play Machine (Net Receipts)	(77,671)	123,887,516	6,428,123	303,079	
Touch Play Uncollected Amounts		(2,436,987)			
Monitor Vending Machine sales			0	1,257,087	186,641
Pull-tab sales	21,058,969	18,314,338	23,624,094	25,528,391	27,022,871
Application fees	6,300	60,525	61,225	18,450	16,825
Other revenue	147,249	1,326,245	275,806	1,351,802	1,175,271
<b>Total operating revenues</b>	<b>235,154,788</b>	<b>340,906,293</b>	<b>211,006,243</b>	<b>209,905,452</b>	<b>180,059,433</b>
<b>OPERATING EXPENSES</b>					
Instant Prize expense	76,461,870	64,494,790	60,759,895	55,231,504	49,816,015
Pick 3 prize expense	3,710,127	3,533,969	3,596,814	3,723,158	3,566,507
Powerball prize expense	29,416,274	34,745,273	25,878,086	31,756,964	27,403,942
Hot Lotto prize expense	7,097,545	4,683,123	5,111,857	3,761,399	3,098,998
Rolldown prize expense					(31,448)
Freeplay Replay Prize Expense				35,897	178,769
Pick 4 prize expense	1,202,769	1,042,785	1,179,953	899,662	
\$100,000 Cash Game prize expense	2,212,777	2,036,709	1,897,416	1,907,647	2,080,865
Monitor Vending prize expense				945,638	147,328
Pull-tab prize expense	13,103,358	11,395,588	14,699,032	15,884,332	17,655,043
Promotional prize expense	152,137	326,367	332,620	310,761	283,140
Advertising/Publicity	6,204,924	6,952,369	5,911,199	6,115,714	5,739,275
Retailer compensation expense	14,674,744	107,849,743	17,341,859	13,303,839	11,763,229
Ticket expense	2,569,848	2,348,063	3,010,793	2,941,336	2,762,042
Vendor compensation expense	7,339,692	6,754,262	6,218,221	6,175,342	5,612,018
Personal services	8,405,129	8,462,406	7,516,410	7,332,053	6,439,043
Travel	399,853	366,149	389,080	321,020	315,371
Supplies	98,241	143,139	103,143	106,211	104,718
Printing	21,348	34,253	24,621	42,445	76,704
Postage	44,942	48,990	30,781	12,499	
Communications	545,492	652,191	550,034	501,491	1,301,144
Rentals	276,385	366,065	1,527,912	2,610,251	2,630,054
Utilities	97,640	114,856	84,421	67,886	66,670
Professional fees	89,259	83,723	161,862	82,458	93,901
Outside services & repairs	674,549	706,088	287,010	65,940	58,799
Data processing	38,385	22,908	18,256	10,321	10,886
Equipment	238,897	164,950	1,501,912	133,976	168,410
Reimbursement to other state agencies	361,766	312,079	364,998	353,295	391,896
Depreciation	1,415,964	1,417,593	625,490	116,318	213,250
Other	124,796	152,839	128,331	83,791	61,826
MUSL administrative expense	(32,454)	85,289	118,272	230,810	233,326
<b>Total operating expenses</b>	<b>176,946,257</b>	<b>259,296,559</b>	<b>159,370,278</b>	<b>155,063,958</b>	<b>142,241,721</b>
<b>Operating income (loss)</b>	<b>58,208,531</b>	<b>81,609,734</b>	<b>51,635,965</b>	<b>54,841,494</b>	<b>37,817,712</b>
<b>Non-operating revenue (expense)</b>					
Interest income	781,091	938,212	608,980	567,843	653,429
Interest expense	(175,147)	(240,811)	(210,746)		
<b>Income before transfers</b>	<b>58,814,475</b>	<b>82,307,135</b>	<b>52,034,199</b>	<b>55,409,337</b>	<b>38,471,141</b>
Transfer to Gambler's Treatment Program	(1,178,926)	(1,709,221)	(1,058,074)	(631,416)	(542,130)
Transfer to State	(56,990,862)	(79,166,575)	(50,036,035)	(55,160,347)	(38,466,350)
<b>Change in net assets</b>	<b>644,687</b>	<b>1,431,339</b>	<b>940,090</b>	<b>(382,426)</b>	<b>(537,339)</b>
Net assets, beginning of period	3,765,628	2,334,289	1,394,199	1,776,625	2,313,964
<b>Net assets, end of period</b>	<b>\$4,410,315</b>	<b>\$3,765,628</b>	<b>\$2,334,289</b>	<b>\$1,394,199</b>	<b>\$1,776,625</b>